

Domestic Fundamentals:

- Mixed tone was featured in various edible oils in key markets in trading activities on Friday.
- Domestic soy oil prices and palm oil prices futures rose on rise in international benchmarks. BMD CPO and CBOT soy oil rose on technical rebound. Crude oil prices were trading higher on Friday.
- According to Indonesia Palm Oil Association (GAPKI), exports of palm oil (CPO and PKO) from Indonesia rose 13.1 percent in Jan y-o-y to 3.10 MMT from were 2.74 MMT in Jan 2018. Exports of palm oil (CPO and PKO) were rose 5.1 m-o-m in Jan at 3.10 MMT compared to Dec 2018 at 2.95 MMT. Stocks of palm oil in Jan 2019 rose to 3.02 MMT, up 7 percent y-o-y.
- According to Indonesia Palm Oil Association (GAPKI), Indonesia kept March export duty unchanged at zero. Indonesia relaxed crude palm oil levy rules in which there will be no threshold prices until further decision. In place of monthly levy review, now levy review will take place every three months. Indonesia has kept crude palm oil export duty at zero since May 2017.
- Palm oil prices are underpinned by expectation of slow fall in end stocks of palm oil, weak demand of palm oil from Malaysia and slow fall in production of palm oil in Malaysia.
Palm oil exports from Malaysia faltered in Feb due to weak demand from EU and China. Exports of palm oil fell 5.5 percent in first 25 days of Feb.
Demand of palm oil faltered from China as demand of palm oil generally weakens from the country after Chinese New year and US-China trade optimism which indicates that China will buy major amounts of soybean to replace palm oil by soy oil.
India is buying RBD palmolein from Malaysia in Feb in higher quantities due to lower import duty offered to Malaysia by India. Further, low port stocks of RBD palmolein and improvement in import parity will lead to higher imports in coming months.
Production of palm oil is expected to fall in Feb in Malaysia due to seasonal downtrend of production, but a lower rate. Also, production in Jan was already at historically elevated levels.
Both exports and production of palm oil in Malaysia cut limited palm oil stocks in Malaysia.
- Soy oil prices are underpinned by faster rate of harvest of soybean in Brazil, improving condition of soybean in Argentina and rising stocks of soy oil in US amid US-China trade settlement optimism
Soybean harvest in Brazil is progressing at a rapid pace. Soybean harvest has reached 45 percent area which is above 25 percent in corresponding period last year and 27 percent 5-year average. Faster than expected rate of soybean harvest will lead to surge in global soybean supplies, thereby reducing global supply shortage of soybean excluding US. This will help top importer China to purchase more from the country and lead to China's upper hand in trade negotiations related to soybean imports from US.
Soy oil end stocks in US rose in January for the second month as reported by NOPA. Stocks of soy oil rose despite fall in crush of soybean.
Soybean crop condition in Argentina has improved and favorable crop condition is expected to improve yields and increase total crop of the country after drought last year. This has led to fall in basis over CBOT and led to lower soy oil FOB prices.

Outlook: Edible oil basket is expected to feature range –bound to weak sentiment in near term.

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|------|--------|--------|--------|--------|--------|---------------|-------|-----------|
| Mar-19 | 5.30 | 757.40 | 762.65 | 756.35 | 761.70 | 8,220 | -4760 | 46260 | 1920 |
| Apr-19 | 4.75 | 745.65 | 750.35 | 744.40 | 749.00 | 4,150 | -1520 | 36240 | 1940 |

Prices & Vol-OI are at 5:30 PM

| Spread | Mar-18 | Apr-18 |
|--------|--------|--------|
| Spot | 13.30 | 26.00 |
| Mar-19 | | -12.70 |
| Apr-19 | | |

MCX CPO Futures

| Contract | +/- | Open | High | Low | Close | Volume | Volume Change | OI | OI Change |
|----------|------|--------|--------|--------|--------|--------|---------------|------|-----------|
| Mar-18 | 5.20 | 551.90 | 558.30 | 551.60 | 556.50 | 1030 | -118 | 5377 | 207 |
| Apr-19 | 4.80 | 557.00 | 563.20 | 557.00 | 561.50 | 453 | 351 | 2123 | 136 |

| Spread | Mar-18 | Apr-19 |
|--------|--------|--------|
|--------|--------|--------|

| | | |
|--------|------|-------|
| Spot | -9.5 | -14.5 |
| Mar-19 | | 5 |
| Apr-19 | | |

CBOT Soy Oil Futures (Projections):

(Values in US cents/lb)

| Contract | +/- | Open | High | Low | Close |
|----------|------|-------|-------|-------|-------|
| 15-Mar | 0.21 | 29.96 | 30.17 | 29.96 | 30.17 |
| 15-May | 0.33 | 30.2 | 30.6 | 30.19 | 30.58 |
| 15-Jul | 0.32 | 30.53 | 30.93 | 30.53 | 30.91 |
| 15-Aug | 0.33 | 30.74 | 31.08 | 30.69 | 31.08 |
| 15-Sep | 0.34 | 30.96 | 31.23 | 30.96 | 31.23 |

BMD CPO Futures:

(Values in MYR/tonnes)

| Contract | +/- | Open | High | Low | Close |
|----------|-----|------|------|------|-------|
| Mar-19 | 72 | 1942 | 2010 | 1935 | 1986 |
| Apr-19 | 72 | 2077 | 2143 | 2067 | 2134 |
| May-19 | 68 | 2136 | 2198 | 2127 | 2189 |
| June-19 | 65 | 2178 | 2236 | 2174 | 2228 |

Forex:

| Date/Currency | Chinese Yuan | Indonesian Rupiah | Malaysian Ringgit | Argentine Peso | Indian rupee | Brazilian Real | Dollar Index | Crude Oil WTI (\$/barrel) |
|---------------|--------------|-------------------|-------------------|----------------|--------------|----------------|--------------|---------------------------|
| 01/03/2019 | 6.71 | 14123 | 4.075 | 39.12 | 71.04 | 3.75 | 96.21 | 57.27 |

Edible Oil Prices at Key Market:

| Commodity | Centre | Prices(Per 10 Kg) | | Change |
|---------------------|----------------------------|-------------------|-----------|--------|
| | | 1-Mar-19 | 28-Feb-19 | |
| Refined Soybean Oil | Indore | 775 | 775 | Unch |
| | Indore (Soy Solvent Crude) | 735 | 740 | -5 |
| | Mumbai | 770 | 770 | Unch |
| | Mumbai (Soy Degum) | 735 | 730 | 5 |
| | Kandla/Mundra | 765 | 765 | Unch |
| | Kandla/Mundra (Soy Degum) | 737 | 737 | Unch |
| | Kolkata | 780 | 780 | Unch |
| | Delhi | 818 | 812 | 6 |
| | Nagpur | 771 | 768 | 3 |
| | Rajkot | 765 | 765 | Unch |
| | Kota | 770 | 770 | Unch |

| | | | | |
|-----------------------|--|-----|-----|------|
| | Hyderabad | 760 | 760 | Unch |
| | Akola | 772 | 769 | 3 |
| | Amrawati | 772 | 769 | 3 |
| | Bundi | 780 | 780 | Unch |
| | Jalna | 778 | 775 | 3 |
| | Solapur | 778 | 775 | 3 |
| | Dhule | 778 | 774 | 4 |
| | | | | |
| Palm Oil* | Kandla (Crude Palm Oil) | 573 | 574 | -1 |
| | Kandla (RBD Palm oil) | 609 | 609 | Unch |
| | Kandla RBD Pamolein | 656 | 656 | Unch |
| | Kakinada (Crude Palm Oil) | 572 | 572 | Unch |
| | Kakinada RBD Pamolein | 656 | 656 | Unch |
| | Haldia Pamolein | 664 | 664 | Unch |
| | Chennai RBD Pamolein | 662 | 662 | Unch |
| | Chennai RBD Pamolein (Vitamin A&D Fortified) | 730 | 735 | -5 |
| | KPT (krishna patnam) Pamolein | 651 | 651 | Unch |
| | Mumbai RBD Pamolein | 667 | 667 | Unch |
| | Mangalore RBD Pamolein | 662 | 662 | Unch |
| | Tuticorin (RBD Palmolein) | 655 | 652 | 3 |
| | Delhi | 690 | 688 | 2 |
| | Rajkot | 656 | 649 | 7 |
| | Hyderabad | 636 | 636 | Unch |
| | PFAD (Kandla) | 336 | 336 | Unch |
| | Refined Palm Stearin (Kandla) | 572 | 572 | Unch |
| | Superolien (Kandla) | 714 | 714 | Unch |
| | Superolien (Mumbai) | 719 | 719 | Unch |
| * inclusive of GST | | | | |
| Refined Sunflower Oil | Chennai | 785 | 790 | -5 |
| | Mumbai | 820 | 820 | Unch |
| | Mumbai(Expeller Oil) | 730 | 730 | Unch |
| | Kandla (Ref.) | 795 | 795 | Unch |
| | Hyderabad (Ref) | 800 | 800 | Unch |
| | Latur (Expeller Oil) | 775 | 775 | Unch |
| | Chellakere (Expeller Oil) | 740 | 740 | Unch |
| | Erode (Expeller Oil) | 835 | 835 | Unch |
| | | | | |
| Groundnut Oil | Rajkot | 940 | 940 | Unch |
| | Chennai | 940 | 940 | Unch |
| | Delhi | 950 | 950 | Unch |
| | Hyderabad * | 960 | 970 | -10 |
| | Mumbai | 970 | 970 | Unch |

| | | | | |
|--|------------------------------------|------|------|-------------|
| | Gondal | 930 | 950 | -20 |
| | Jamnagar | 940 | 940 | Unch |
| | | | | |
| Rapeseed Oil/Mustard Oil | Jaipur (Expeller Oil) | 790 | 805 | -15 |
| | Jaipur (Kacchi Ghani Oil) | 802 | 805 | -3 |
| | Kota (Expeller Oil) | 770 | 770 | Unch |
| | Kota (Kacchi Ghani Oil) | 785 | 800 | -15 |
| | Neewai (Expeller Oil) | 775 | 775 | Unch |
| | Neewai (Kacchi Ghani Oil) | 785 | 785 | Unch |
| | Bharatpur (Kacchi Ghani Oil) | 810 | 800 | 10 |
| | Sri-Ganga Nagar(Exp Oil) | 780 | 800 | -20 |
| | Sri-Ganga Nagar (Kacchi Ghani Oil) | 790 | 805 | -15 |
| | Mumbai (Expeller Oil) | 780 | 780 | Unch |
| | Kolkata(Expeller Oil) | 930 | 930 | Unch |
| | New Delhi (Expeller Oil) | 820 | 812 | 8 |
| | Hapur (Expeller Oil) | 895 | 900 | -5 |
| | Hapur (Kacchi Ghani Oil) | 935 | 940 | -5 |
| | Agra (Kacchi Ghani Oil) | 815 | 805 | 10 |
| | | | | |
| Refined Cottonseed Oil | Rajkot | 730 | 725 | 5 |
| | Hyderabad | 700 | 715 | -15 |
| | Mumbai | 740 | 742 | -2 |
| | New Delhi | 725 | 718 | 7 |
| | | | | |
| Coconut Oil | Kangayan (Crude) | 1430 | 1430 | Unch |
| | Cochin | 1540 | 1540 | Unch |
| | | | | |
| Sesame Oil | New Delhi | 1700 | 1700 | Unch |
| | Mumbai | Unq | Unq | - |
| Kardi | Mumbai | 880 | 880 | Unch |
| Rice Bran Oil (40%) | New Delhi | 623 | 620 | 3 |
| Rice Bran Oil (4%) | Punjab | 605 | 605 | Unch |
| | | | | |
| Malaysia Palmolein USD/MT | FOB | 535 | 530 | 5 |
| | CNF India | 565 | 560 | 5 |
| Indonesia CPO USD/MT | FOB | 505 | 505 | Unch |
| | CNF India | 530 | 525 | 5 |
| RBD Palm oil (Malaysia Origin USD/MT) | FOB | 528 | 525 | 3 |
| RBD Palm Stearin (Malaysia Origin USD/MT) | FOB | 525 | 525 | Unch |
| RBD Palm Kernel Oil (Malaysia Origin USD/MT) | FOB | 740 | 745 | -5 |
| Palm Fatty Acid Distillate (Malaysia Origin USD/MT) | FOB | 465 | 460 | 5 |



| | | | | |
|--------------------------------------|-----------|-----------|-----------|--------|
| Crude palm Kernel Oil India (USD/MT) | CNF India | Unq | 750 | - |
| Ukraine Origin CSFO USD/MT Kandla | CIF | 730 | 730 | Unch |
| Rapeseed Oil Rotterdam Euro/MT | FOB | 717 | 720 | -3 |
| | | | | |
| Argentina FOB (\$/MT) | | 28-Feb-19 | 27-Feb-19 | Change |
| Crude Soybean Oil Ship | | 669 | 670 | -1 |
| Refined Soy Oil (Bulk) Ship | | 692 | 693 | -1 |
| Sunflower Oil Ship | | 650 | 650 | Unch |
| Cottonseed Oil Ship | | 649 | 650 | -1 |
| Refined Linseed Oil (Bulk) Ship | | Unq | Unq | - |
| * indicates including GST | | | | |

Note - Domestic edible oil prices are in Indian rupees per 10 Kg, CNF/FOB/CIF prices are in USD per tons except Rapeseed oil Rotterdam (Euro per tons).

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